REFERENCE TOOL

The chart below provides a summary comparing the current law/practice with the changes contained within the HEARTH Act legislation and, if available, draft regulations.

Program-Level Changes

PowerPoint	Issue	Current Law/Practice	McKinney Reauthorization (HEARTH Act)
Section			
A1	Continuum of Care Programs: Structure and Basic Provisions	Under current law, the Continuum of Care grants include three programs: Supportive Housing Program, Shelter Plus Care, and Section 8 SRO Moderate Rehabilitation. Each program has separate eligible activities, match requirements, and operating guidelines.	Under HEARTH, SHP, S+C, and Section 8 SRO Mod Rehab are combined into one Continuum of Care program, with one set of eligible activities, a single match requirement, and a unified set of operating rules.
A1	Match Requirements	Under current legislation and practice for Continuum of Care programs, there are different match requirements for each eligible activity, including a range of 0-100% cash match, or 100% in-kind match.	Continuums must demonstrate a match of 25% for all activities except leasing. This match will be calculated on a Continuum-wide, not project-by-project, basis. The match requirement can be satisfied by in-kind contributions as long as those contributions are supported by a Memorandum of Agreement indicating that the services will be provided.
A1	Continuum of Care Programs: Eligible Activities	Eligible activities under the current McKinney-Vento Continuum of Care programs include:	 Construction, acquisition or rehabilitation (No funding cap on capital costs) Leasing of property, or portions of property, not owned by the recipient or project sponsor involved Provision of rental assistance to provide transitional or permanent housing Can be tenant-based, project-based, or sponsor-based. Will have 15-year grant term – first 5 years authorized under McKinney and assistance for the remainder of the term treated as a renewal of an expiring contract. Rental assistance programs can be operated by local government, State government, or public housing authorities. Operating costs (can be used for units assisted with grant funds or for the preservation of housing that will service homeless individuals and families and for which another form of assistance is expiring or no longer available). Supportive services for individuals and families who are currently homeless, who have been homeless in the prior six months but are currently residing in permanent housing, or who were previously homeless and are currently residing in permanent supportive housing. Provision of rehousing services, including housing search, mediation or outreach to property owners, credit repair, providing security or utility deposits, rental assistance

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		persons HMIS – implementation and maintenance of system Administration (no more than 5%)	for a final month at a location, assistance with moving costs, or other activities • Support for the activities of a collaborative applicant that is a legal entity, • Operation of and participation in HMIS • Administrative costs (see below)
A1	Administrative Costs	No administrative funds were available to support the CoC Governing Entity (now Collaborative Applicant). Project Sponsors could receive up to 5% of total project funds to support administrative costs.	 In addition to those listed above, eligible activities now include: Payment of administrative costs to a collaborative applicant (not to exceed 3% of grant amount). Payment of administrative costs to project sponsors (for which each project sponsor may use not more than 10 percent of the total project funds).
A1	Set-Asides	Set-asides have been established through the Notice of Funding Availability process, such as the requirement that 30% of funds go to new permanent housing for individuals with disabilities or families with a disabled head of household.	Permanent Housing for People with Disabilities: No less than 30% of funding shall be used for permanent housing for homeless individuals with disabilities and homeless families with a disabled adult head of household. Permanent Housing for Families with Children: No less than 10% of the Continuum of Care grant amount shall be used for permanent housing for families with children. The base amount used for calculating these set-asides does not include renewal activities. Projects can help to meet both requirements at once: for instance, a program serving a family with children whose head of household is disabled would count toward both categories. These calculations are made on a national – not Continuum-level – basis.
A1	Definition of who is homeless	Statute: The following individuals are considered homeless according to 42 USC Sec. 11302: (1) an individual who lacks a fixed, regular, and adequate nighttime residence; and (2) an individual who has a primary nighttime residence that is: • a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); • an institution that provides a temporary residence for individuals intended to be	 In general, the definition of who is homeless includes: an individual or family who lacks a fixed, regular, and adequate nighttime residence; an individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground. an individual or family living in a supervised publicly or privately operated shelter designed to provide temporary living arrangements (including hotels or motels paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, congregate shelters, and transitional housing) an individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided. An individual or family who: A. Will imminently lose their housing, including housing they own, rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels not paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, as evidenced by A court order resulting from an eviction action that notifies that individual or

A1	Definition of Who is	institutionalized; or	family that they must leave within 14 days ii. The individual or family having a primary nighttime residence that is a room in a hotel or motel and where they lack the resources necessary to reside there for more than 14 days. iii. Credible evidence indicating that the owner or renter of the housing will not allow the individual or family to stay for more than 14 days, and any oral statement from an individual or family seeking homeless assistance that is found to be credible B. Has no subsequent residence identified C. Lacks the resources or support networks needed to obtain other permanent housing (6) Unaccompanied youth and homeless families with children and youth defined as homeless under other Federal statutes A. Have experienced a long-term period without living independently in permanent housing B. Have experienced persistent instability as measured by frequent moves over such period C. Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or a youth with a disability, or multiple barriers to employment. In addition, any individual or family who is fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions in the individual's or family's current housing situation, including where the health and safety of children are jeopardized, and who have no other residence and lack the resources or support networks to obtain other permanent housing.
	Chronically	Defined administratively by the	individual or family:
	Homeless	Interagency Council on Homelessness	• Is homeless or lives or resides in a place not meant for human habitation, a safe haven,
	1	as an unaccompanied, homeless	or in an emergency shelter,
		, ,	= '
		individual who:	Has been homeless and living or residing in a place not meant for human habitation, a

		 a year or four times over a three year period Is and has been living on the street or in an emergency shelter Has a disabling condition, which could be a diagnosable substance use disorder, serious mental illness, developmental disability, or chronic physical illness or disability, including the cooccurrence of two or more of these conditions. 	 separate occasions in the last 3 years, and Has an adult health of household (or a minor head of household if no adult is present in the household) with a diagnosable substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability, including the cooccurrence of 2 or more of these conditions. In addition, a person who currently lives or resides in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital or other similar facility, and has resided there for fewer than 90 days shall be considered chronically homeless if such person met all of the requirements described above.
A1	Definition of who is At-Risk	Definition is not included in current legislation.	 Defines "at risk of homelessness" as an individual or family: whose income is below 30% of AMI; who has insufficient resources immediately available to attain housing stability, and who has moved frequently because of economic reasons is living in the home of another because of economic hardship has been notified that their right to occupy their current housing or living situation will be terminated lives in a hotel or motel lives in severely overcrowded housing is exiting an institution or otherwise lives in housing that has characteristics associated with instability and an increased risk of homeless This term includes all families with children and youth defined as homeless under Federal
A1	People defined as Homeless in other Statutes	Current legislation does not address this issue.	A collaborative applicant may use not more than 10% of Continuum of Care funding on eligible activities to serve unaccompanied youth or families with children and youth defined as homeless under other Federal statutes. To serve these individuals or families, the applicant must demonstrate that the use of such funds is of an equal or greater priority or is equally or more cost effective in meeting overall goals and objectives. The 10% limitation does not apply to collaborative applicants whose rates of homelessness (as indicated in the most recent PIT count) are lower than 1/10 th of 1% of the total population.
A2	Emergency Shelter/Solutions Grant (ESG)	Currently named "Emergency Shelter Grant" Program. ESG monies are distributed according to a Federal allocation formula. ESG funding comprises 15% of annual	Renamed "Emergency Solutions Grant" Program Up to 20% of the total amount allocated for ESG and Continuum of Care programs can be allocated to the Emergency Solutions Grant Program, as long as this allocation does not impact renewal activities. Shelter-related costs cannot exceed 60% of ESG funding or the level of funding expended in the prior year.

		McKinney-Vento appropriations. Current allowable uses: rehabilitation or remodeling of a building used as a new shelter operations and maintenance of the facility essential supportive services (i.e., case management, physical and mental health treatment, substance abuse counseling, childcare, etc.), homelessness prevention, and grant administration.	 Eligible ESG activities include: Renovation, major rehabilitation, or conversion of buildings to be used as emergency shelters. The provision of essential services related to emergency shelter or street outreach, as long as a) those services have not been provided by the local government during any part of the prior year or b) the use of assistance would complement the provision of those services Maintenance, operation, insurance, provision of utilities, and provision of furnishings related to emergency shelter. Provision of rental assistance to provide short-term or medium-term housing to homeless or at-risk individuals or families. Housing relocation or stabilization services for homeless or at-risk individuals or families, including housing search, mediation, credit repair, etc. All ESG-funded agencies must participate in HMIS. Up to 7.5% of funds can be allocated to administration.
A2	Definition of who is "at-risk"	See Section A1 above.	See Section A1 above.
A3	Rural Homeless Assistance/Housing Stability Assistance	This program is currently named the Rural Homeless Assistance Program and is intended to serve as an alternative, simpler process by which rural communities can apply for Continuum of Care funding. It has never been funded by Congress and thus has never been implemented.	This program has been renamed the Rural Housing Stability Program. The goals of the program are to rehouse or improve the housing situations of individuals and families who are homeless or in the worst housing situations; to stabilize the housing of individuals and families who are in imminent danger of losing housing; and to improve the ability of the lowest-income residents of the community to afford stable housing. Grants made under this program are made in lieu of grants made under the Continuum of Care program. Allowable activities include: Construction of new permanent or transitional housing units for at-risk or homeless individuals and families. Acquisition and rehabilitation of a structure to provide supportive services, transitional or permanent housing – other than emergency shelter – to at-risk or homeless individuals and families Property leasing for use in providing transitional or permanent housing or services to at-risk or homeless individuals and families Rental assistance Operating costs for housing provided under this Act Required match is 25% for all activities except leasing.

	Adds the following the definition of rural area: "Any area or community, respectively,
	located in a state that has population density of less than 30 persons per square mile and of
	which at least 1.25 percent of the total acreage of such state is under federal jurisdiction,
	provided that no metropolitan city in such state is the sole beneficiary of grants." (This
	definition includes Alaska, Idaho, Montana, Nebraska, Nevada, New Mexico, North Dakota,
	South Dakota, or Wyoming.)

Changes to the CoC System

Issue	Current Law/Practice	McKinney Reauthorization (HEARTH Act)
Selection Criteria	Selection criteria are not explicitly spelled out in the current McKinney legislation. They are listed annually as part of the Notice of Funding Announcement.	The criteria used for determining which programs are selected for funding include: • The previous performance of the recipient regarding homelessness, such as ○ The length of time that individuals and families remain homeless ○ The extent to which individuals and families who leave homelessness experience additional spells of homelessness ○ The thoroughness of grantees in reaching homeless individuals and families ○ Overall reduction in the number of individuals and families ○ Jobs and income growth for homeless individuals and families ○ Success at reducing the number of individuals and families ○ Other accomplishments related to reducing homelessness • The quality of the plan of the recipient to reduce the number of people who become homeless, reduce the length of time that people experience homelessness, and collaborate with local education authorities to assist in the identification of individuals and families who become or remain homeless. The plan should also include strategies to: ○ Address the needs of all relevant subpopulations ○ Incorporate comprehensive strategies for reducing homelessness ○ Set quantifiable performance measures ○ Set quantifiable performance measures ○ Set quantifiable performance measures ○ Set timelines for completion of specific tasks ○ Identify specific funding sources for planned activities and ○ Identify an individual or body responsible for overseeing implementation of specific strategies • The methodology of the priority-setting process, including the extent to which it: ○ Uses outcome data ○ Involves stakeholders from a range of people within the jurisdiction ○ Is based on objective criteria that are publicly announced ○ Is open to proposals from previously unfunded entities • The extent to which the amount of assistance to be provided will be supplemented with
		Selection Criteria Selection criteria are not explicitly spelled out in the current McKinney legislation. They are listed annually as part of the Notice of Funding

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			 Level of coordination with other Federal, State, local, private and other entities serving individuals and families experiencing or at risk of homelessness in the planning and operation of projects The goals and outcomes for projects serving families with children and youth, such as o Preventing homelessness for those who are at highest risk Achieving independent living in permanent housing among families with children and youth who are at highest risk
В4	Contract Renewal	Expiring contracts are currently renewed through McKinney appropriations.	Renewal of expiring contracts for leasing, rental assistance, or operating costs associated with permanent housing can be funded either through McKinney appropriations or through Section 8 Project-based Rental Assistance. Renewals shall be made on an annual basis but, in the case of project-based assistance, they can be made for terms of up to 15 years according to the discretion of the applicant and subject to the availability of appropriations. HUD will make adjustments proportional to increases in the Fair Market Rents in the geographic area, expanding the Shelter Plus Care FMR increases to all permanent housing activities.
B5	Incentives	The current legislation does not contain incentives. HUD has used the Notice of Funding Availability process to establish incentives in other years.	 Incentives for Proven Activities: HUD is empowered to provide bonuses or other incentives for activities that have been proven to be effective reducing homelessness generally, reducing homelessness for a specific subpopulation, or achieving homeless prevention and independent living goals, including: Permanent supportive housing for chronically homeless individuals and families For homeless families, rapid re-housing services, short-term flexible subsidies to overcome housing barriers, support services to increase income, coupled with performance measures emphasizing rapid and permanent rehousing and with leveraging funding from mainstream family service systems such as TANF and CWS. Any other activity determined by HUD to be effective at reducing homelessness. If any geographic area demonstrates that it has fully implemented any of the activities "proven effective" for all homeless individuals and families or for all members of the identified subpopulation, that area can receive the bonus but use it for any eligible activity. Incentives for High-Performing Communities: Up to 10 communities will be designated as "high-performing" every year according to these indicators: The mean length of homelessness in that community is less than 20 days or 10% lower than the previous year Of those leaving homelessness, fewer than 5% become homeless again, or the percentage who do decreases by 20% in the year Community encourages homeless participation in services and includes them in HMIS Service effectiveness Effectiveness in reaching goals and outcomes that apply to families and youth defined

			as families under other Federal statues.
B6	HMIS Participation	All ESG and Continuum of Care funded agencies must participate in HMIS	All ESG and Continuum of Care funded agencies must participate in HMIS. The HMIS system must: • collect unduplicated counts of individuals and families experiencing homelessness; • analyze patterns of use of applicable assistance provided for the geographic area involved; • provide information to project sponsors and applicants for needs analyses and funding priorities; and • be developed in accordance with standards established by the Secretary, including standards that provide for— • encryption of data collected for purposes of HMIS; • documentation, including keeping an accurate accounting, proper usage, and disclosure, of HMIS data; • access to HMIS data by staff, contractors, law enforcement, and academic researchers; • rights of persons receiving services under this title; • criminal and civil penalties for unlawful disclosure of data; and • such other standards as may be determined necessary by the Secretary.
В6	Information Protection for Victim Service Providers	The current McKinney legislation does not address this issue; it arises from the Violence Against Women Act (VAWA).	HUD is required to instruct any victim service provider not to disclose personally identifying information about any client for the purposes of HMIS. Providers may be asked to disclose non-personally identifying information as long as that information has been de-identified, encrypted, or otherwise encoded. Nothing in the Act may supersede any prior law granting greater protection for victims of domestic violence, dating violence, sexual assault, or stalking.

Changes to CoC Governance

PowerPoint	Issue	Current Law/Practice	McKinney Reauthorization (HEARTH Act)
Section			
C7 & C8	Continuum of Care	Funds are currently distributed	The Collaborative Applicant is the entity (formerly the Continuum of Care) that:
	Structure –	through local Continuums of Care,	 designs a collaborative process for the development of an application, and for
	Collaborative	which is a group of providers,	evaluating the outcomes of funded projects, in such a manner as to provide
	Applicant	stakeholders, advocates, homeless	information necessary for the Secretary to determine compliance with program
		persons, and others who participate in	requirements and selection criteria and establish priorities for funding projects in the
		a community process of identifying	geographic area involved;

local needs, priorities, and gaps services. The CoC is not requir an incorporated legal entity an cannot currently serve as a fisc	d to be collaborative applicant; and ensures operation of, and consistent participation by, project sponsors in a
	A collaborative applicant that is either selected or designated as a Unified Funding Agency must: • require each project sponsor to establish proper fiscal control and fund accounting procedures • arrange for an annual survey, audit, or evaluation of the financial records of each project

Other Impacts

PowerPoint Section	Issue	Current Law/Practice	McKinney Reauthorization (HEARTH Act)
D9	Set-Asides	Set-asides have been established through the Notice of Funding Availability process, such as the requirement that 30% of funds go to new permanent housing for individuals with disabilities or families with a disabled head of household.	Permanent Housing for People with Disabilities: No less than 30% of funding shall be used for permanent housing for homeless individuals with disabilities and homeless families with a disabled adult head of household. Permanent Housing for Families with Children: No less than 10% of the Continuum of Care grant amount shall be used for permanent housing for families with children. The base amount used for calculating these set-asides does not include renewal activities. Projects can help to meet both requirements at once: for instance, a program serving a family with children whose head of household is disabled would count toward both categories. These calculations are made on a national – not Continuum-level – basis.
D9	Homeless School Children	The McKinney-Vento Act creates programs that are administered by the Dept. of Education and designed to ensure education opportunities for children who are homeless. Some type of coordination with other services for	In order to receive McKinney funds, Collaborative Applicants must certify that they take the educational needs of children into account when families are placed into emergency or transitional shelter, and that efforts are made to place families with children as close as possible to their school of origin so as not to disrupt a child's education. Programs must also designate a staff person to be responsible for ensuring that children

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		homeless children is required.	served in the program are enrolled in school and connected to appropriate services in the community, including programs such as Head Start. In addition, applications for McKinney funds will be evaluated, in part, based on how communities collaborate with local education authorities to indentify homeless individuals and families who are eligible for McKinney education services.
D10	Other Provisions	Formula: Funds are currently allocated according to the CDBG formula.	Formula: HEARTH allows the HUD secretary to devise a new formula for allocation of Continuum of Care funds. Preventing Family Separation: Any project sponsor receiving McKinney funds to provide
		Technical Assistance: McKinney SHP legislation currently authorizes the use of McKinney funds for technical assistance activities. HUD has distributed technical assistance funding for homeless assistance grants through a NOFA process.	emergency shelter, transitional housing or permanent housing to families with children under the age of 18 shall not deny admission to any family based on the age of any child under age 18. The exception is that project sponsors operating transitional housing can target resources for families with children of a certain age if the transitional housing program has a primary purpose of implementing an evidence-based practice that requires that housing units be targeted to families with children in a specific age group and provides assurances that an equivalent appropriate alternative living arrangement for the whole family or household unit has been secured.
			<u>Technical Assistance</u> : Technical assistance services can be made available to private nonprofit organizations and other nongovernmental entities, States, metropolitan cities, and counties to implement effective planning processes for preventing and ending homelessness, to improve their capacity to prepare collaborative applications, to prevent the separation of families in emergency shelter or other housing programs, and to adopt and provide best practices in housing and services for persons experiencing homelessness. No more than 1% of the funds made available for any fiscal year can be directed toward these expenditures.
D10	Authorized	The current annual Homeless	A total of \$2.2 billion is authorized to be appropriated to carry out this title for fiscal year
	Appropriations	Assistance Grant funding is roughly \$1.6 billion.	2010 and such sums as may be necessary for 2011.